



DEPARTMENT OF THE NAVY
BUREAU OF MEDICINE AND SURGERY
2300 E STREET NW
WASHINGTON DC 20372-5300

IN REPLY REFER TO
BUMEDINST 12451.4A
BUMED-OOCP
22 Jan 99

BUMED INSTRUCTION 12451.4A

From: Chief, Bureau of Medicine and Surgery

Subj: INCENTIVE AWARDS PROGRAM

Ref: (a) SECNAVINST 12430.4
(b) SECNAVINST 12451.3
(c) BUMEDINST 12430.4

Encl: (1) DON Human Resources Implementation Guidance #451-01

1. Purpose. To provide implementing guidance on the Department of the Navy's (DON) Awards Program.

2. Cancellation. BUMEDINST 12451.4.

3. Background. Following the introduction of the new DON Performance Management Program in reference (a), additional guidance has been provided to assist activities in understanding the relationship between the DON's new two-level performance management program and awards and recognition. Basic DON policy on awards and recognition is found in reference (b). Enclosure (1) contains new guidance on implementing the Awards Program.

4. Changes. Because numerous flexibilities have been introduced during the past few years which allow for more timely and varied forms of recognition of contributions made to DON, e.g., on-the-spot and time-off awards, enclosure (1) contains only minor changes to existing guidance. However, it does provide insight into the relationship between a performance rating at the "Acceptable" level and recognition for significant contributions and performance.

5. Developing Command Programs. BUMED activities are encouraged to make use of the significant flexibilities to recognize and reward personnel, provided in enclosure (1). The following should be kept in mind in designing programs to fit activity needs:

a. Reference (c) states that within the BUMED claimancy, individual performance ratings and monetary awards are not to be linked. Therefore, beginning October 1998 there will no longer be any monetary awards based exclusively on an individual's performance rating.

b. BUMED activities should consider 1.5 percent of aggregated base salaries of covered personnel as the desired funding level for the awards program. The aggregated base salary will be calculated based on the number of covered personnel as of 1 October of each year. BUMED activity heads are responsible for deciding award expenditures for his or her activity during each fiscal year.

c. BUMED activities are encouraged to delegate the authority to approve awards to the lowest practical level. This improves the timeliness in which awards are granted and strengthens the relationship between personnel and their immediate supervisor.

d. The use of honorary awards is encouraged. Although such awards generally involve limited cost, they do symbolize an important bond between personnel and the value of that person to the activity.

e. Quality step increases (QSIs) affect a person's base salary and have cost implications beyond the year in which they are granted. QSIs should be granted carefully and only for contributions which merit extraordinary levels of recognition.

6. Awards Authority. BUMED activity heads have approval authority for individual awards up to \$5,000. Appendixes A and B of enclosure (1) contain additional guidance on the delegation of authority to approve awards within DON.

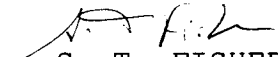
7. Collective Bargaining Agreements. All activities with exclusive bargaining units are reminded of the requirement for notification to allow for collective bargaining before the implementation of changes to established award program practices. Your servicing human resources office will be able to assist you in fulfilling your obligations under your bargaining agreement and in designing an awards program which meets local needs.

8. Reporting Requirements. Most reporting on awards program use is handled electronically based on information contained in the Defense Civilian Personnel Data System. However, because innovative and creative use of awards can significantly improve both performance and morale, BUMED activity heads are encouraged to share their successes with other activities.

9. Point of Contact. The point of contact is the Human Resources Office, Washington, BUMED Command Services Office (Code OOM), Bethesda Satellite Office, National Naval Medical

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Center, 8901 Wisconsin Avenue, Bethesda, MD 20889-5600. They can be reached at commercial (301) 295-6803 or DSN 295-6803, FAX (301) 295-6509.


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DON HUMAN RESOURCES
IMPLEMENTATION GUIDANCE #451-01

GUIDE NO. 451-01
ISSUE DATE: 2 June 1998
EFFECTIVE DATE: 3 June 1998

RELEASER: Betty S. Welch, DASN(CP/EEO)

SUBJECT: Guidance on Implementing Awards Programs in the
Department of the Navy

REFERENCES: SECNAVINST 12451.3, Department of the Navy
Incentive Awards Programs

FEATURES OF THIS GUIDE:

1. Provides procedures for establishing and implementing awards programs throughout the Department of the Navy.
 2. Defines program objectives, assigns responsibilities, outlines awards program requirements, etc.
 3. Provides guidance for recommending and granting awards.
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Enclosure (1)

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GUIDANCE ON IMPLEMENTING
AWARDS PROGRAMS IN DON

1. Purpose. This Guide provides procedures for establishing and implementing awards programs throughout DON, as required by reference (b), consistent with the requirements of 5 CFR 451 and the Department of Defense (DoD) Directive 1400.25-M, Civilian Personnel Manual, Subchapter 451, on Awards.

2. Policy and Program Objectives. In the DON, awards are used to motivate employees to increase productivity by recognizing creativity in the workplace, and by rewarding employees and groups of employees when contributions are made. In achieving these objectives, award programs should be designed to:

a. Encourage full participation of all DON personnel at all levels in improving DON and Government operations;

b. Pay cash awards, grant time-off, or incur necessary expenses for the honorary and informal recognition of DON personnel, either individually or as a member of group, on the basis of:

(1) A suggestion, invention, superior accomplishment, or other personal effort that contributes to the efficiency, economy, or other improvement of Government operations or achieves a significant reduction in paperwork. (5 CFR 451.104 (a)(1).)

(2) A special act or service in the public interest in connection with or related to official employment. (5 CFR 451.104 (a)(2).)

(3) Exceptional performance as reflected in the employee's most recent rating of record, as defined by 5 CFR 430.203. (5 CFR 451.104(a)(3).)

3. Program Requirements. All award programs developed and implemented in DON shall provide for:

a. Reviewing award recommendations for which approval authority has not been delegated to officials at lower levels within the organization. (DoD 1400.25-M, Subchapter 451, G.1.)

b. Communicating the relevant parts of award programs to managers, supervisors, and employees. (DoD 1400.25-M, Subchapter 451, G.2.)

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c. Evaluating and assessing awards and awards programs to ensure they are:

(1) Used to motivate, recognize, and reward eligible personnel. (DoD 1400.25-M, Subchapter 451, G.3.)

(2) Exhibit a close, demonstrable link between performance, accomplishment, or contribution to the organization's goals and objectives and the receipt of the award. (DoD 1400.25-M, Subchapter 451, G.3.)

(3) Granted commensurate with the value of the employee's contribution or accomplishment. (DoD 1400.25-M, Subchapter 451, G.3.)

d. Documenting all cash and time-off awards required by 5 CFR 451.106(e). (DoD 1400.25-M, Subchapter 451, G.4.)

e. Following appropriate DoD financial management regulations on civilian pay policies for additional requirements on the processing of awards. (DoD 1400.25-M, Subchapter 451, G.4.)

f. Granting quality step increases (QSIs) consistent with the provisions of 5 CFR 531, Subpart E. (DoD 1400.25-M, Subchapter 451, J.)

g. Documenting the justification for awards that are not based on a rating of record under 5 CFR 451.103(c)(2).

4. Definitions

a. Activity. A field installation, headquarters command or office.

b. Award. Recognition for individual or team achievement that contributes to meeting organizational goals or improving the efficiency, effectiveness, and economy of the Government or is otherwise in the public interest. Such awards include, but are not limited to, employee incentives which are based on predetermined criteria such as productivity standards, performance goals, measurement systems, award formulas, or pay out schedules. (5 CFR 451.102 and DoD 1400.25-M, Subchapter 451, C.1.)

c. Contribution. An accomplishment achieved through an individual, group, or team effort which contributes to the efficiency, economy, cost avoidance or other beneficial impact to the general workplace, public welfare, or the overall DON mission.

d. Initial Award. An initial form of recognition for a suggestion or invention that may be followed by other forms of recognition at a later date. These awards can be monetary or non-monetary.

e. Intangible Benefit. Savings to the Government that cannot be measured in terms of dollars and will be evaluated using the scale of award amounts based on intangible benefits, Appendix C. (DoD 1400.25-M, Subchapter 451, C.7.)

f. Monetary Award. An award in which the recognition device is a cash payment that does not increase the employee's rate of basic pay. (DoD 1400.25-M, Subchapter 451, C.3.)

g. Non-monetary Award. An award in which the recognition device is not a cash payment or time-off but is an award of a honorific value, e.g., a letter, certificate, medal, plaque, or item of nominal value. (DoD 1400.25-M, Subchapter 451, C.4.)

h. Rating of Record. The performance rating prepared at the end of an appraisal period for performance over the entire period including the assignment of a summary level. The rating of record is the official rating used for pay, performance award, and retention purposes. (5 CFR 430.203, DoD 1400.25-M, Subchapter 430, Appendix A, C.13., and Guidance on Implementing Performance Management Programs in the DON, Guide No. 430-01.)

i. Tangible Benefit. Savings to the Government that can be measured in terms of dollars and will be evaluated using the scale of award amounts based on tangible benefits, Appendix D. (DoD 1400.25-M, Subchapter 451, C.6.)

j. Time-Off Award. An award in which time-off from duty is granted without loss of pay or charge to leave and for which the number of hours granted is commensurate with the employee's contribution or accomplishment. (DoD 1400.25-M, Subchapter 451, C.5.)

5. Eligibility

a. Employees. All DON civilian employees who meet the definition of Title 5, USC 2105, are eligible to receive awards

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under the DON Awards Program. Performance awards may be paid to Senior Executive Service employees only under 5 CFR 534.403 and not on the basis of this guidance. (5 CFR 451.101(c) and (d) and DoD 1400.25-M, Subchapter 451, E.1.)

b. Former Employees. Awards for contributions made by an individual when employed by the DON may be paid to a former employee or to the estate or legal heirs of a deceased employee, under 5 CFR 451.104(e). (DoD 1400.25-M, Subchapter 451, E.2.)

c. Non-Appropriated Fund Employees. Employees paid with non-appropriated funds (NAF) are not eligible to receive monetary awards paid from appropriated funds but may receive non-monetary awards under this program. DON's NAF employees are eligible for the following honorary awards:

(1) DON's Distinguished Civilian Service Award,

(2) DON's Superior Civilian Service Award, and

(3) DON's Meritorious Civilian Service Award.

(DoD 1400.25-M, Subchapter 451, E.3.)

d. Foreign National Employees. A direct hire foreign national employee paid with appropriated funds is eligible to receive awards under this program. Restrictions on employees paid with non-appropriated funds are covered in paragraph 5c. An indirect hire foreign national employee is not eligible to receive monetary awards under this program but may receive non-monetary awards. This does not preclude payment of monetary awards under any other locally developed awards program. (DoD 1400.25-M, Subchapter 451, E.4.a. and b.)

e. Private Citizens and Organizations. Private citizens and organizations may be recognized for significant contributions to the DON with non-monetary awards only, i.e., DON's Public Service Awards. Persons or organizations having a commercial or profit making relationship with DoD or DON shall not be granted recognition, unless the contribution is substantially beyond that specified or implied within the terms of the contract establishing the relationship, or the recognition is clearly in the public interest. (See paragraph 10d below.) (DoD 1400.25-M, Subchapter 451, O.1. and 2.)

f. Other Agency or DoD Personnel. Awards may be approved for employees of other Government agencies or other DoD components and payment will be made by transferring funds to the

individual's employing component or agency. If the administrative costs of transferring funds exceed the amount of the award, the organization employing the individual shall absorb the costs and pay the award. (5 CFR 451.104(d)(1) and DoD 1400.25-M, Subchapter 451, H.2.) Non-DON Federal employees are eligible for DON's Public Service Awards as described in paragraph 10d.

6. Responsibilities

a. The Secretary of the Navy (SECNAV) or designee will:

(1) Approve individual awards from \$7,501 to \$10,000, and other awards, as shown in Appendixes A and B. (Title 5, USC, Chapter 45, Subchapter 4502(a).)

(2) Make recommendations to other Government agencies and the Office of Personnel Management (OPM) on honorary awards and monetary awards over \$10,000. (Title 5, USC, Chapter 45, Subchapter 4502(b), 5 CFR 451.106(b) and DoD 1400.25-M, Subchapter 451, E.4.e.)

(3) Forward individual awards exceeding \$10,000 to OPM, via the Office of the Secretary of Defense, for approval. Presidential approval is required for awards over \$25,000. (Title 5, USC, Chapter 45, Subchapter 4502(b).)

b. Deputy Assistant Secretary of the Navy (Civilian Personnel/Equal Employment Opportunity) (DASN(CP/EEO)) will chair the Department of the Navy Awards Review Panel. (SECNAVINST 12451.3.)

c. The Department of the Navy Awards Review Panel (DARP) is a panel of nine high-level senior executives chartered to review and make recommendations to the SECNAV on certain top-level DON, DoD, Presidential, and other selected prestigious awards that are normally approved and/or endorsed by the Secretary, the Under Secretary, or one of the Assistant Secretaries of the Navy. Each of the following has a representative on the DARP:

(1) Assistant Secretary of the Navy (Financial Management and Comptroller).

(2) Assistant Secretary of the Navy (Installations and Environment).

(3) Assistant Secretary of the Navy (Manpower and Reserve Affairs).

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(4) Assistant Secretary of the Navy (Research, Development and Acquisition).

(5) General Counsel of the Navy.

(6) Vice Chief of Naval Operations.

(7) Assistant Commandant of the Marine Corps.

(8) The Navy Research Community.

(9) The Systems Commands.

d. Echelon 1 and 2 commands may issue guidance and procedures to their subordinate activities for internal program management as needed. Maximum flexibility is provided to permit the design of program structure and content which meet organizational needs. Programs developed for command wide implementation should be broad enough to allow labor-management partnership involvement at the local activity. (DoD 1400.25-M, Subchapter 451, F.4.a. and SECNAVINST 12451.3.) In addition, echelon 1 and 2 commands are expected to:

(1) Approve awards for individuals from \$5,001 to \$7,500, per Appendix A. (SECNAVINST 12451.3.)

(2) Review and endorse awards that require SECNAV or higher approval. (SECNAVINST 12451.3.)

e. Activity heads are expected to:

(1) Establish activity organizational goals and objectives. (SECNAVINST 12451.3.)

(2) Ensure coverage of employees under an implementing instruction consistent with local policies and procedures. (SECNAVINST 12451.3.)

(3) Ensure an activity awards program is in place and working effectively. (SECNAVINST 12451.3.)

(4) Assign financial and award planning responsibilities, ensure adequate funds are available to assure prompt action on awards, and ensure awards are paid within the budgetary limits set by law and regulation. (DoD 1400.25-M, Subchapter 451, F.4.b. and SECNAVINST 12451.3.)

(5) Determine the review and/or approval levels and requirements for awards. (SECNAVINST 12451.3.)

(6) Establish honorary and informal recognition awards. (SECNAVINST 12451.3.)

(7) Establish awards criteria, such as productivity standards, performance goals, measurement systems, etc., for granting monetary or non-monetary awards for individual, team, or organizational achievements or contributions and ensure criteria for awards does not discriminate against individuals on the basis of race, color, religion, age, sex, national origin, or disability. (DoD 1400.25-M, Subchapter 451, E.4.d., G.3, and SECNAVINST 12451.3.)

(8) Approve individual and group awards up to \$5,000, per Appendix A. (SECNAVINST 12451.3.)

f. Managers, supervisors, and team leaders (where applicable) should motivate, recognize, and reward eligible employees' accomplishments and contributions through the awards program.

g. Human resource offices (HROs) currently served by an operational human resources service center (HRSC) are responsible for:

(1) Advising managers, supervisors, team leaders, and covered employees on program requirements and related awards issues.

(2) Forwarding approved awards to the HRSC for processing and input into the Defense Civilian Personnel Data System (DCPDS).

(3) Maintaining award documentation in the Employee Performance File (EPF).

h. Additionally, operational HRSCs and HROs not currently served by an operational HRSC are responsible for:

(1) Processing awards and QSIs accurately and timely. (5 CFR 531.506.)

(2) Inputting employee awards data into the DCPDS. (5 CFR 451.106(g).)

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(3) Maintaining award records and making them available to HROs and activities. (5 CFR 451.106(f).)

7. Award Restrictions. Monetary and time-off awards will not be granted during a Presidential election period to political appointees or employees in excepted service positions of a confidential or policy-determining nature (Schedule C appointments). Non-monetary awards such as certificates, plaques, and items of similar nature are permitted, provided the form of the non-monetary award avoids the appearance of replacing cash. Recognition by non-monetary award should create the inherent impression of symbolic value (an honor being bestowed) rather than monetary worth (cash value). (5 CFR 451.105 and DoD 1400.25-M, Subchapter 451, D.1.)

8. Funding Levels. Echelon 1 and 2 commands are expected to budget for awards using sound financial management controls consistent with budgetary limits set by law and regulation. The minimum funding level for all awards is 1.5 percent of aggregate base salaries of covered employees. The aggregate base salary should be calculated based on the number of covered employees as of 1 October of each year. Commands are responsible for deciding the award expenditures for their activities and targets may be set at different levels. (5 CFR 451.103(c)(1), DoD 1400.25-M, Subchapter 451, F.4.b. and SECNAVINST 12451.3.)

9. Monetary Awards

a. Special Act Awards. These awards may be used to recognize a group or individual effort that goes beyond expected job performance. Special Act Awards are used to recognize exceptional accomplishments, such as an outstanding achievement, and may be given at any time. The appropriate award amount is based on the tangible and intangible benefits scales in Appendixes C and D. (5 CFR 451.104(a)(2) and SECNAVINST 12451.3.)

b. On-the-Spot Awards. On-the-Spot awards are "Special Act or Service" awards designed to quickly recognize and provide immediate reinforcement of one-time achievements by employees that have resulted in service of an exceptionally high quality or quantity. This award is particularly appropriate for rewarding employee efforts that might go unrecognized. On-the-Spot awards range from \$25 to \$750, commensurate with the nature of the service or act being recognized. (SECNAVINST 12451.3.)

c. Performance Awards. Awards may be granted to employees for demonstrated sustained performance for individual, team, or organizational achievements of high quality, significantly above that expected at the "Acceptable" level. This type of recognition is appropriate when an employee performs substantially beyond expectations on a regular or continuing basis. Accomplishments may include, but are not limited to:

- (1) Exceptional program or project management.
- (2) Individual or team work that results in a high quality product or service to a customer.
- (3) Other high quality performance significantly above what is expected at the "Acceptable" level and consistently sustained over a period of time.

Cash awards may be determined using a specific dollar amount or a percentage of basic pay. Awards granted as a percentage of basic pay may not exceed 10 percent of the employee's annual rate of basic pay and are subject to the approval authorities of Appendixes A and B. The rate of basic pay shall be determined without taking into account any locality-based comparability, special law enforcement adjustment, or interim geographic adjustment. Awards between 10 and 20 percent of an employee's annual rate of basic pay must be approved by the Secretary of the Navy. (5 CFR 451.104(g), DoD 1400.25-M, Subchapter 451, I.2. and SECNAVINST 12451.3.)

d. Quality Step Increases. The purpose of Quality Step Increases (QSI) is to provide appropriate incentives and recognition for excellence in performance by granting faster than normal step increases; therefore, careful consideration should be given before granting a QSI. An employee is eligible for only one quality step increase within any 52-week period. To be eligible for a QSI, General Schedule employees must meet the following criteria required by 5 CFR 531.504(b)(2):

- (1) Received a rating of record of "Acceptable."
- (2) Demonstrated sustained performance of high quality significantly above that expected at the "Acceptable" level (i.e., exceeded the "Acceptable" criteria depicting unusually good or excellent quality or high quantity of work provided ahead of schedule and with less than normal supervision).
- (3) Made a significant contribution to the organization's mission.

(4) There must be an expectation the high quality performance will continue in the future. (DoD 1400.25-M, Subchapter 451, J.2.)

e. Suggestions. To be considered, a suggestion must:

(1) Identify an improvement in the quality of operations, a cost reduction opportunity or an improvement in the timeliness of service delivery that results in tangible or intangible benefits to the U.S. Government.

(2) Be adopted in whole or in part for implementation. The suggestion should identify a specific proposed course of action to achieve the improvement or cost reduction.

(3) Be based upon tangible or intangible benefits, as provided in Appendixes C and D, or a combination thereof.

Ideas or suggestions that identify the need for routine maintenance work, recommend enforcement of an existing rule, propose changes in housekeeping practices, call attention to errors or alleged violations of regulations, or result in intangible benefits of "good will" are not eligible for consideration.

When a suggestion is adopted by another organization, the benefiting organization shall share in the cost of the total award commensurate with the benefit. The suggestor's organization will notify the benefiting organization of the amount due and the benefiting organization shall take prompt action to transfer the funds. (DoD 1400.25-M, Subchapter 451, K. and SECNAVINST 12451.3.)

f. Inventions. To be considered, an invention must:

(1) Identify an improvement in the quality of operations, a cost reduction opportunity, or an improvement in the timeliness of service delivery that results in tangible or intangible benefits to the U.S. Government.

(2) Be adopted in whole or in part for implementation. The invention should set forth a specific proposed course of action to achieve improvement or cost reduction.

If the conditions above are not met, but the invention is determined to be of value to the DON or DoD and the inventor consents to consideration of an award, the inventor will be required to sign a claim waiver agreement to be paid an award.

An initial monetary award may be paid and an additional monetary award issued when the patent covering the invention is granted. If an application for a patent is placed under a secrecy order, the additional award will be paid when a notice of allowability of the application is issued by the U.S. Patent Office instead of a patent.

Awards under this section are not authorized if a monetary award has been paid for the same contribution as a suggestion. (DoD 1400.25-M, Subchapter 451, L.)

10. Honorary Awards

Honorary awards provide a means to recognize an employee's overall value to an organization. They provide an opportunity to acknowledge valuable contributions made, and may reflect contributions made over a period of months or years.

There are numerous honorary awards available. These awards can take the form of a letter of commendation to a medal, tie tack, coffee mug, belt buckle, plaque, etc. Activities are to use discretion on the value of this type of recognition, as these awards are to be modest in cost, usually less than \$50, and are normally displayed rather than used. Given their nature as symbolic formal recognition, items presented as honorary awards must meet all the following criteria:

- The item must be something the recipient could reasonably be expected to value, but not something that conveys a sense of monetary value.
- The item must have a lasting trophy value.
- The item must clearly symbolize the employer-employee relationship in some fashion.
- The item must take an appropriate form to be used in the public sector and to be purchased with public funds.

a. DON Honorary Awards

(1) DON Distinguished Civilian Service Award. The DON Distinguished Civilian Service Award (DCSA) is the highest honorary award SECNAV can confer on a DON civilian employee. The DCSA is to be granted only to those employees who have given distinguished and/or extraordinary service to the DON. The achievements or service must be truly exceptional when measured

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against the position requirements of the individual, and should far exceed the contributions and service of others with comparable responsibilities. Further, the DCSA should be reserved for contributions which are so unusual and/or significant that recognition at the Secretary of the Navy level is deserved. Additional indicators include using:

(a) A pattern of long term, sustained high performance as evidenced by the nominee having previously received high honorary awards (e.g., DON Superior Civilian Service Award (SCSA) and/or DON Meritorious Civilian Service Award (MCSA), or similar awards or honors).

(b) Career achievements that are recognized throughout the DON.

(c) Indications of innovative leadership of highly successful programs or projects which have impacted beyond the nominee's activity or command.

(d) Accomplishments/achievements which have had, as a minimum, DON-wide impact.

(e) Scientific or technical advances, or suggestions of significant value.

(f) Accomplishments which show unusual management abilities, innovative thinking, and/or outstanding leadership which benefit the DON.

(g) Responsibility for major cost savings/reductions/avoidance.

(h) Unusual acts of heroism.

(i) Exceptional cooperative efforts with other Navy offices, Federal agencies, or the private sector.

(2) DON Superior Civilian Service Award. The DON Superior Civilian Service Award (SCSA) is the second highest honorary award in the DON. It is intended that the same DCSA criteria will be used for awarding the SCSA. However, for the SCSA, the contribution, while exceptional in value, would be narrower in scope or impact (e.g., accomplishment that is significant and has far-reaching major command wide impact).

(3) DON Meritorious Civilian Service Award. The DON Meritorious Civilian Service Award (MCSA) is the third highest honorary award in the DON. As in the SCSA, the same DCSA criteria will be used for awarding the MCSA. For the MCSA, the contributions, while high in value, are more limited in scope/impact (e.g., accomplishment should be significant and have far-reaching impact, but less than the SCSA). This award should not be used as a retirement award. However, if a significant accomplishment occurs close to retirement, it may be acceptable to present it at retirement.

b. Informal Recognition Awards. Informal recognition awards are intended to recognize contributions of lesser scope that might otherwise go unrecognized. In addition, informal recognition awards typically have more informal approval procedures and presentation settings than honorary awards. Given this combination of less scope contributions and informality, non-monetary items presented as informal recognition awards must meet the following criteria:

(1) The item must be of nominal value.

(2) The item must take an appropriate form to be used in the public sector and to be purchased with public funds.

c. Career Service Recognition

(1) Length of Service (LOS) Certificates. These awards recognize significant milestones in employees' careers and emphasize service to the Government, rather than service to a particular Department or Agency is being recognized. When eligibility for LOS recognition is computed, employees should receive credit for total Federal service, including civilian and all honorable military service. The most commonly used LOS certificates are printed by the Government Printing Office and obtained through the U.S. Office of Personnel Management (OPM) "Rider" system on an annual basis. These certificates can only be ordered once a year, usually in August. The OPM LOS certificates are available in 5-year increments and recognize service from 5 to 50 years. Commands and activities may also develop and print their own LOS certificates. This type of recognition of employees is strongly encouraged but not required.

(2) Career Service and Retirement Certificates. Standard career service and retirement certificates may be ordered in packages of 25 from the Defense Printing Service in Philadelphia, PA. For career service use NAVSO 12453/1 (4-77), Navy Career

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Service Award, S/N 0104-LF-002-9500; for retirement, use NAVSO 12450/11 (9-83), Certificate of Retirement, S/N 0104-LF-002-9600. The signature of the Secretary of the Navy may be obtained on career service and retirement awards for 40 or more years of service. To obtain the Secretary's signature the following guidelines should be followed:

(a) A memo requesting the Secretary's signature should accompany the appropriate certificate with the honoree's name and number of years of service already printed on it. A return envelope should also be provided. The certificate should not be dated, as it will be dated when signed. Certificates should be carefully packaged to avoid damage in transit.

(b) Requests should be submitted as far ahead of the needed date as possible. The requesting memo, certificate, and the return envelope should be addressed to: Secretary of the Navy, Administrative Division, The Pentagon, Room 4D680, Washington, DC 20350.

d. Awards for Private Citizens and Organizations. DON Public Service Awards are available for private citizens and/or organizations for outstanding contributions to the mission and best interests of the DON. They are designed to provide formal recognition for individuals or groups who are not employed by the DON, or who were not so employed during the period for which a public service award is recommended. They may also be used for senior DON officials in noncareer or appointive positions. To qualify for a Navy Public Service Award, the contributions must have occurred within the 5-year period preceding the date of nomination. Persons or organizations having a commercial or profit making relationship with DoD or with a DoD component are ineligible for recognition unless it is shown the contribution is substantially beyond that specified or implied within the terms of the contract establishing the relationship and/or unless the recognition is clearly in the public interest. DON employees who are eligible for the honorary awards described in paragraph 10a are not eligible for the public service awards.

(1) DON Distinguished Public Service Award (DPSA). This award is the highest form of public service recognition which may be approved by the Secretary of the Navy. DPSA nominations are limited to those extraordinary cases where individuals have demonstrated exceptionally outstanding service of substantial and long term benefit to the Navy, Marine Corps, or DON as a whole.

The award may also be approved for specific courageous or heroic acts bearing directly on the accomplishment of the DON mission. Since this award may only be approved and signed by the Secretary, all nominations for the DPSA must be forwarded to the Secretary via the DARP which is managed by the Office of the Assistant Secretary of the Navy (Manpower and Reserve Affairs).

(2) DON Superior Public Service Award (SPSA). The SPSA is the second highest civilian honorary award and recognizes significant contributions that have broad impact. Such contributions, while not necessarily affecting the entire DON, must have substantially benefited a major organizational element or large geographical area. The SPSA may be signed by the Secretary or by any echelon 2 or above commander. For signature by the Secretary, nominations must be sent to the DARP as in the case of the DPSA. If it is to be signed at a lower level, DARP approval and recommendation is not required.

(3) DON Meritorious Public Service Award (MPSA). The MPSA is the third highest public service recognition and is awarded for significant contributions with substantial impact upon a specific activity or geographical location. The Secretary rarely signs MPSAs; they may be approved and signed by echelon 2 or above commanders.

(4) DON Award of Merit for Group Achievement (AMGA). Granted by the Secretary of the Navy, the AMGA is presented to corporations, associations, or other groups for outstanding services to the DON in connection with a single project, program, or other effort which was significantly beneficial to the accomplishment of the overall mission of the DON. It will be granted for company, group, or association achievement only and not for the outstanding contributions of a single member. The award consists of one certificate signed by the Secretary. Nominations for these awards must be forwarded to the Secretary via the DARP.

(5) DoD and Presidential Awards. The following DoD and Presidential honorary awards must be submitted to the Secretary of the Navy, via the DARP, for endorsement and approval:

- (a) DoD Distinguished Civilian Service Award.
- (b) Secretary of Defense Meritorious Civilian Service Award.
- (c) DoD Distinguished Public Service Award.

(d) Secretary of Defense Award for Outstanding Public Service.

(e) President's Award for Distinguished Federal Civilian Service.

(f) Presidential Medal of Freedom.

(g) Presidential Citizens Medal.

(h) National Security Medal.

Descriptions and criteria for these awards are available in the DoD Civilian Personnel Manual (DoD 1400.25-M, Subchapter 451, Appendix A and B).

11. Time-Off Awards

a. Criteria. Time-off awards are an alternate and/or additional means of recognizing the superior accomplishments or achievements of employees with other than monetary or non-monetary awards. Decisions to grant time-off awards shall be based upon the same criteria or circumstances as for any other award. Examples of achievements which may be considered for a time-off award:

(1) High-level performance.

(2) Making a high quality contribution involving a difficult or important project or assignment.

(3) Displaying special initiative and skill in completing an assignment or project before the deadline.

(4) Using initiative and creativity in making improvements in a product, activity, program, or service.

(5) Ensuring the mission of the unit is accomplished during a difficult period by successfully completing additional work or a project assignment while maintaining the employee's own workload.

(6) Accomplishing a specific, one-time, or special assignment that required extra effort or resulted in the organization receiving recognition for responsiveness to unprogrammed requirements.

Supervisors and managers shall consider fully wage costs and productivity loss when granting time-off awards and shall ensure the amount of time-off granted as an award is commensurate with the individual's contribution or accomplishment. Appendix E contains a recommended award scale for determining time-off awards. (DoD 1400.25-M, Subchapter 451, N.1. and SECNAVINST 12451.3.)

b. Limitations on Time-off Awards

(1) The total amount of time-off that may be granted to any one individual in any one leave year is 80 hours. For part-time employees or those with an uncommon tour of duty, the total time that may be granted during any calendar year is the average number of hours of work generally worked during a pay period. (DoD 1400.25-M, Subchapter 451, N.2.a.)

(2) The maximum amount of time-off which may be granted to an individual for a single contribution is 40 hours. For part-time employees or those with an uncommon tour of duty, the maximum award for any single contribution is one-half the maximum amount of time that would be granted during the year. (DoD 1400.25-M, Subchapter 451, N.2.b.)

(3) Time-off granted as an award must be scheduled and used within 1 year after the effective date of the award. Any unused amount remaining after that time will be forfeited without further compensation to the employee. (DoD 1400.25-M, Subchapter 451, N.3.)

(4) A time-off award does not convert to cash under any circumstances. (5 CFR 451.104(f) and DoD 1400.25-M, Subchapter 451, N.4.)

(5) Time-off awards shall not be granted to create the effect of a holiday or treated as administrative excusals or leave. (DoD 1400.25-M, Subchapter 451, N.1.)

(6) A time-off award for a period in excess of 1 workday must be reviewed and approved by an official at an organizational level higher than the individual making the initial award determination. (SECNAVINST 12451.3.)

c. Portability. A time-off award shall not be transferred between DoD components. If an employee is transferring to another DoD activity or outside DoD, the employee should be allowed to use the award before transfer. Managers and

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supervisors should make every effort to ensure the employee is able to use the time-off award before he or she leaves the component. A time-off award can be transferred within DON; however, it must be scheduled and used within 1 year after the effective date of the award. (DoD 1400.25-M, subchapter 451, N.5. and SECNAVINST 12451.3.)

APPENDIX A

DELEGATION OF AUTHORITY TO APPROVE
DON HONORARY AND MONETARY AWARDS

LOWER LEVEL AWARDS

Honorary Awards

Navy Meritorious Civilian Service Awards (MCSA)

Monetary Awards

Special Act Awards, Suggestion Awards, etc.; to a maximum of \$5,000 per individual

Approval Authorities

Commanders and Activity Heads.

MIDDLE LEVEL AWARDS

Honorary Awards

Navy Superior Civilian Service Awards (SCSA) and/or MCSAs

Navy Superior Public Service Awards (SPSA)
(only if not requesting approval/signature of SECNAV)

Monetary Awards

Special Act Awards, Suggestion Awards, etc., totaling \$5,001 to \$7,500 per individual

Approval Authorities

All Echelon 1 and 2 Commands
Commandant of the Marine Corps
Chief of Naval Operations
Chief of Naval Research
Commander in Chief, U.S. Atlantic Fleet
Commander in Chief, U.S. Pacific Fleet
Commander in Chief, U.S. Naval Forces, Europe
Immediate Office of the Secretary of the Navy
Director, Human Resources Operations Center
Unified Commands (CINCPAC and CINCLANT only)
Commander, Naval Reserve Force

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Approval Authorities (Continued)

Chief of Naval Education and Training
Commander, Naval Air Systems Command
Commander, Naval Facilities Engineering Command
Commander, Naval Sea Systems Command
Chief, Bureau of Medicine and Surgery
Commander, Space and Naval Warfare Systems Command
Heads of Independent Offices
Chief of Naval Personnel
Commander, Military Sealift Command
Commander, Naval Computer and Telecommunications Command
Director, Naval Criminal Investigative Service
Commander, Naval Security Group
Director, Office of Naval Intelligence
Commander, Naval Meteorology and Oceanographic Command
Director, Strategic Systems Programs
Commander, Navy Recruiting Command

HIGHEST LEVEL AWARDS

Honorary Awards

Navy Distinguished Civilian Service Awards (DCSA) and/or SCSAs
and MCSAs

Navy Distinguished Public Service Awards (DPSA) and/or SPSAs
and MPSAs

Monetary Awards

Special Act Awards, Suggestion Awards, etc., totaling \$7,501 to
\$10,000

All monetary awards exceeding \$10,000 must go to SECNAV for
approval/endorsement before going to Department of Defense
(DoD) and/or the U.S. Office of Personnel Management (OPM).

Approval Authorities

Secretary of the Navy or Acting Secretary of the Navy only

All of the awards at this level must be forwarded to the
SECNAV via the DARP, DASN(CP/EEO), and Executive Personnel and
Leadership Development Division (DP6).

APPENDIX B

AWARDS TO BE REVIEWED BY THE DARP

The following awards require DARP review and recommendations before they are forwarded to the respective sponsors.

Awards which require the endorsement and/or signature of the Secretary of the Navy:

- DON Distinguished Civilian Service Award (DCSA)
- DON Distinguished Public Service Award (DPSA)
- DON Superior Public Service Award (SPSA) (*NOTE: If signed at lower level (see Appendix A), does not require DARP review.*)
- DON Distinguished Achievement in Science Award (DASA)
- DoD Distinguished Civilian Service Award (DoDDCSA)
- SECDEF Meritorious Civilian Service Award
- DoD Distinguished Public Service Award
- SECDEF Award for Outstanding Public Service
- Special Act, Suggestion, Invention, etc., awards of \$7,501 to \$10,000 per individual
- President's Award for Distinguished Federal Civilian Service
- Presidential Medal of Freedom
- Presidential Citizens Medal
- Senior Executives Association/Professional Development League (SEA/PDL) Executive Excellence Awards
- Federal Executive Institute Alumni Association (FEIAA) Executive of the Year Award

Awards to be reviewed by DARP for approval by cognizant Assistant Secretaries of the Navy: (*NOTE: All signed by ASN(M&RA)/DASN (CP/EEO) unless indicated otherwise.*)

- Outstanding Navy Employee with Disabilities (ONED)
- Arthur S. Fleming Awards to Honor Outstanding Men and Women in the Federal Government
- Eugene G. Fubini Award
- GEICO Public Service Awards
- Roger W. Jones Award for Executive Leadership
- William A. Jump Memorial Award for Distinguished Career Service in Public Administration
- Donald L. Scantlebury Memorial Award for Distinguished Leadership in Financial Management Improvement (*to be signed by ASN(FM&C)*)
- Women in Science and Engineering (WISE) Awards

APPENDIX C

SCALE OF AWARD AMOUNTS BASED ON
INTANGIBLE BENEFITS

VALUE OF BENEFIT	EXTENT OF APPLICATION			
	LIMITED Affects functions, mission, or personnel of one facility, installation, regional area, or an organizational element of headquarters. Affects small area of science or technology.	EXTENDED Affects functions, mission, or personnel of an entire regional area, command, or bureau. Affects an important area of science or technology.	BROAD Affects functions, mission, or personnel of several regional areas or commands, or an entire department or agency. Affects an extensive area of science or technology.	GENERAL Affects functions, mission, or personnel of more than one department or agency, or is in the public interest throughout the Nation and beyond.
MODERATE Change or modification of an operating principle or procedure with limited use or impact.	\$25 - \$500	\$501 - \$750	\$751 - \$1,000	\$1,001 - \$1500
SUBSTANTIAL Substantial change or modification of procedures. Important improvements to the value of a product, activity, program, or service to the public.	\$501 - \$750	\$751 - \$1,000	\$1,001 - 1,500	\$1,501 - \$3,150
HIGH Complete revision of a basic principle or procedure; a highly significant improvement to the value of a product or service.	\$751 - \$1,000	\$1,001 - \$1,500	\$1,501 - \$3,150	\$3,151 - \$6,300
EXCEPTIONAL Initiation of a new principle or major procedure; a superior improvement to the quality of a critical product, activity, program, or service to the public.	\$1,001 - \$1,500	\$1,501 - \$3,150	\$3,151 - \$6,300	\$6,301 - \$10,000

APPENDIX D

SCALE OF AWARD AMOUNTS BASED ON
TANGIBLE BENEFITS

BENEFITS	AWARD
<u>Estimated First-Year Benefits</u>	<u>Amount of Award to Employee</u>
Up to \$10,000	• 10 percent of benefit.
Between \$10,000 and \$100,000	• \$1,000, plus 3 percent to 10 percent of benefits over \$100,000.
More than \$100,000	• \$3,700 to \$10,000 for the first \$100,000 in benefits, plus 0.5 percent to 1.0 percent of benefits above \$100,000 up to \$25,000, with the approval of OPM via OSD. Presidential approval is required for all awards of more than \$25,000.

APPENDIX E

TIME-OFF AWARDS SCALE

Value to Organization

Number of Hours

Moderate:

1 to 10

1. A contribution to a product, activity, program, or service to the public, which is of sufficient value to merit formal recognition.
2. Beneficial change or modification of operating principles or procedures.

Substantial:

11 to 20

1. An important contribution to the value of a product, activity, program, or service to the public.
2. Significant change or modification of operating principles or procedures.

High:

21 to 30

1. A highly significant contribution to the value of a product, activity, program, or service to the public.
2. Complete revision of operating principles or procedures, with considerable impact.

Exceptional:

31 to 40

1. A superior contribution to the quality of a critical product, activity, program, or service to the public.
2. Initiation of a new principle or major procedure, with significant impact.